

FISCAL NOTE
HB 3351 - SB 3222

March 30, 2004

SUMMARY OF BILL: The bill does the following:

- Makes Tennessee Student Assistance Corporation (TSAC) responsible for the development of application forms for use by students applying for lottery scholarships and grants.
- Prohibits TSAC from requiring students applying for postsecondary financial assistance from lottery scholarships and grants, to provide financial information unless such student is applying for assistance limited to low-income students.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$45,000 One-Time

Estimate based on the following:

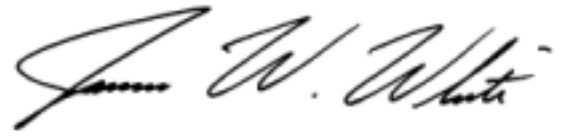
- The bill would not require students applying for the HOPE scholarship to make application using the Federal Application For Student Aid (FAFSA) form unless such student is applying for a supplemental award based on income or a HOPE access grant, which is also income-based.
- Assumes that the development of a new on-line application process for students applying for the HOPE scholarship would result in an increase in state expenditures. The cost for developing an on-line application for the lottery scholarship program that would feed into TSAC's current on-line system is estimated to be approximately \$45,000. Details of this estimate are shown below:

Analysis	\$ 7,800
Development	17,000
Testing	5,200
User Acceptance Testing Support	4,400
Training	5,200
Travel	3,000
Documentation	2,000
Implementation	<u>520</u>
Total	<u>\$45,120</u>

Currently, all students applying for financial assistance or scholarships and grants (including the HOPE scholarship) through TSAC, fill out the FAFSA form which requires certain financial information.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director